

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE TARIFF FILING OF HENRY COUNTY WATER)	
DISTRICT NO. 2 TO ALLOW FOR THE ACCEPTANCE)	CASE NO.
OF DEBIT AND CREDIT CARD PAYMENTS)	2005-00047

COMMISSION STAFF'S FIRST INTERROGATORIES
AND REQUESTS FOR PRODUCTION OF DOCUMENTS
TO HENRY COUNTY WATER DISTRICT NO. 2

Pursuant to Administrative Regulation 807 KAR 5:001, Commission Staff requests that Henry County Water District No. 2 ("Henry County") file with the Commission the original and 8 copies of the following information within 20 days of the date of this request, with a copy to all parties of record. Each copy of the information requested shall be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible.

1. Provide cost justification for the \$3.00 transaction fee proposed by the utility.
2. Provide the names of all types of credit and debit cards the utility will accept as payment as well as the fees to be charged to the utility by each company per transaction.
3. Is the utility aware of other regulated utilities that accept credit or debit card payments? If yes, provide the names of the utilities.
4. Has notice of the proposed rate been published?

5. Why could the proposed change not have been included in the last rate case?
6. Why could the proposed change not have been deferred until the next rate case?
7. Identify the group of customers (both existing and potential) affected by the proposed rate.
8. Provide an income statement and balance sheet for a recent 12-month period.
9. State the number of customers that Henry County anticipates using this method of payment and the basis for that estimate. Your response should give a clear indication of anticipated number of monthly and annual credit/debit card payments.
10. Will the additional revenue generated from the proposed charge exceed by 5 percent the total revenues provided by all miscellaneous and non-recurring charges for a recent 12-month period? If yes, file an absorption test showing that the additional net income generated by this filing will not result in an increase in the rate of return (or other applicable valuation methods) to a level greater than that allowed in the most recent rate case. Any general rate increases received during the 12-month period must be annualized. Any significant cost changes may be included but must be documented as part of this filing.



Beth O'Donnell
Executive Director
Public Service Commission
P. O. Box 615
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DATED March 14, 2005

cc: All Parties